25 July 1955

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT : Executive Salaries

- 1. An executive pay bill may be enacted this year and if not presumably would be enacted in the next session of Congress, which would raise the salaries of the Director and the Deputy Director somewhere above the \$20,000 a year rate. These salaries are the only two salaries in the Agency presently set by statute. All other salaries are set administratively under the Agency's own statutory authority.
- 2. Although we are thus exempt from the statutory limitations of the Classification Act, as a matter of policy successive Directors have conformed generally to the standards and procedures applying to the Civil Service under appropriate laws and regulations. If, however, the Director felt it necessary and proper to establish salaries for a select group of top officials of the Agency at a rate higher than that provided for the top grades in the Classification Act, there would be no legal objection to such action by him. As a practical matter it might be advisable to discuss such an increase beforehand with the Bureau of the Budget and the Appropriations Committees of the Congress.

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LAWRENCE R. HOUSTON General Counsel

OGC:LRH: jeb

cc: Legislative Counsel

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